

## BENEFICIAL OWNERSHIP ROADMAP

### Overall objectives:

- Promotion of beneficial ownership transparency as a key anti-corruption tool to support national development and national security
- Use beneficial ownership data collection process to create a definitive list of companies engaged in extractive activities across Afghanistan
- Beneficial ownership data collection started as soon as practicable and by 1 January 2018 at the latest, with data publicly accessible via online portals and available as needed for the purposes of AEITI reporting
- AEITI to coordinate with business registry, MoMP and donor activities to ensure consistency and coordination of beneficial ownership data collection initiatives
- AEITI to use beneficial ownership transparency as a platform for improvement and enforcement of legal restrictions on ownership of extractive assets by politically exposed persons

ROADMAP RECOMMENDATION	OBJECTIVE	ACTIVITIES (CAPACITY BUILDING NEEDS, TECHNICAL ASSISTANCE)	RESPONSIBLE	TIME FRAME	PROGRESS	FINANCIAL ASSISTANCE (COST AND FUNDING)
<b>1.Consider links between BO and national reform priorities</b>	BO transparency to contribute to national development and national security priorities, including addressing legacy issues around contracts and licenses.	1.Involving MOTCI in the EITI process because currently it's the only authority issuing license in the country: ensure laws are adapted and enforced to facilitate BO disclosure.  2.CSOs to lobby and advocacy to amend the law and encourage government to enforce the law	CSOs, MOTCI, Technical working group, Government	Ongoing		GIZ

		<p>around transparency and licensing.</p> <p>3. Technical working group to develop proposal for workshop for MSG from Government on specific national priorities and agenda of the government.</p> <p>4. Government commitments in Brussels conference and London on EITI and SMAF indicators about BO implementation. Technical working group to engage President's Office and Parliament about BO to ensure their ongoing support</p>				
	<p>Coordinate BO implementation for AEITI is coordinated with other national processes/ donor initiatives and ensure progress is reflected in AEITI reporting</p>	<p>Technical working group to (a) lead implementation of roadmap, (b) coordinate with parallel BO reform process (eg. Parallel reforms of business registry AISA/ACBR and MoMP FMIS systems to include beneficial ownership; government review of extractives contracts) and (c) report on progress on BO for MSG activity reports, workplans and EITI reports.</p>	<p>Technical working group</p> <p><i>(Technical working group also to consider need for a widened BO working group, including representatives of government authorities from outside the MSG.)</i></p>	Ongoing		
	<p>Approval of roadmap by MSG</p>	<p>MSG to consider roadmap following 23 January 2017 MSG</p>	MSG	By 31 January 2017		

		and agree roadmap by 31 January 2017 to be presented to EITI International Secretariat				
<b>2. Consider the institutional framework for BO disclosure</b>	Identify which government authorities will collect and maintain BO data and agree how to adapt their reporting systems to do so	Technical working group to liaise with stakeholders, Business Registry, MoMP and technical working group to develop proposal for MSG.	Technical working group, MoMP, Business Registry	February - April 2017		
	Review existing legislation and identify need for legal reforms, including possible barriers to disclosure	CSOs to work with MoMP and MoTCI to assess need for reforms to minerals, hydrocarbons and other laws (or for improved enforcement of existing law) in support of EITI BO disclosure project and in relation to ownership of extractive assets by PEPs.	CSOs, MoMP, liaising with technical working group, business registry,	February - December 2017		
<b>3. Beneficial ownership definition</b>	Develop definition of beneficial owner appropriate to AEITI	1.MSG to consider proposal on BO definition (drawing on definition under discussion between CSOs and MoMP)	Technical consultant, MSG	February - April 2017	Proposal circulated 25 January 2017	GIZ to fund technical consultant
		2.MSG to consider proposed ownership thresholds for disclosure contained in beneficial ownership definition circulated on 25 January 2017	Technical consultant, MSG	February - April 2017	Proposal circulated 25 January 2017	GIZ to fund technical consultant

<b>4.Reporting obligations for Politically Exposed Persons</b>	Develop definition of PEP appropriate to AEITI, including how BO reporting requirements will apply to PEPs	1.MSG to consider proposal on PEP definition (drawing on definition under discussion between CSOs and MoMP)	Technical consultant, MSG	February - April 2017	Proposal circulated 25 January 2017	GIZ to fund technical consultant
		2.Technical working group to liaise with government agencies as to implementation of PEP reporting (e.g MEC, High Office of Anti-Corruption, NPA) ensuring definitions are comprehensive and consistent between different laws	Technical working group, CSOs MoMP,	Ongoing, 2017		
<b>5.Level of detail to be disclosed</b>	Identify information to be disclosed by beneficial owners, taking into account security implications of disclosure	Technical working group to consider disclosure of beneficial owners' identity, nationality, how ownership is exercised, date of birth, residential/service address, means of contact (with input from National Security Council and Government), making recommendation for agreement by MSG.  <i>(Note that technical working group should also consider extent to which existing disclosures of shareholdings on Business Registry and MoMP data portals satisfy requirements</i>	Technical working group, National Security Council, MSG.	February - June 2017		

		<i>to collect and disclose legal ownership under EITI Standard s.2.5(g))</i>				
<b>6.Data collection</b>	Establish mechanism to identify a complete and up to date list of companies which bid for, operate or invest in extractive activities, including joint ventures and subcontractors, which must report BO data to AEITI	Technical working group to liaise with business registry and MoMP national network as to improvement of information registration systems – including ensuring mining licences are granted only to companies which have been issued with the appropriate trading licence by the business registry - such that companies conducting extractive activities can be readily identified for AEITI reporting purposes.	Technical working group, MoMP, business registry,	February - June 2017		
	Fully develop the processes by which business registry/MoMP will collect updated BO data disclosure forms from companies via the AISA/ACBR and FMIS registration systems	1.Technical working group to liaise with business registry and and MoMP with support from technical consultant as needed, developing (a) efficient and sustainable systems for automatic collection of BO data as part of the company registration and licensing process and (b) identifying any additional legal authority needed to implement these systems, with a view to commencing BO data collection as soon as	Technical working group, business registry, MoMP, technical consultant	February - June 2017 <b>Latest start of data collection: 1 January 2018</b>		GIZ to fund technical consultant

		practicable and from 1 January 2018 at the latest.				
		<p>2. Technical working group to review EITI template BO disclosure form (with input from technical consultant as needed) and adapt according to decisions on level of data to be disclosed.</p> <p><i>(Note that the disclosure form must also include a notification that any reported data will be published).</i></p>	Technical working group, technical consultant, MSG	February - June 2017		GIZ to fund technical consultant
	Build capacity in business registry/ MoMP around collection and processing of BO data	Technical working group to liaise with business registry and MoMP to identify capacity building needs for implementation of data collection systems, for agreement by MSG, liaising with donors as appropriate	Technical working group, MSG, business registry, MoMP, donors	July - December, 2017		Donor support may be needed
	Ensure companies are aware of, understand and participate in BO data collection process	Technical working group to liaise with private sector develop program for outreach to companies, for agreement by MSG	Technical working group, private sector, MSG	July - December 2017		
	Government and Parliament communicate support for BO data collection	Technical working group to liaise with government and Parliament to make statements in support of BO data collection	Technical working group, government	July - December 2017		

<p><b>7.Assuring the accuracy of the data</b></p>	<p>Senior management of company attest to accuracy of BO data disclosed and/or provide supporting documentation</p>	<p>Technical consultant to provide examples of management sign-off for inclusion in disclosure form developed by technical working group; working group to consider supporting documentation requirements</p>	<p>Technical consultant, technical working group, MSG</p>	<p>January- April 2017</p>		<p>GIZ to fund technical consultant</p>
	<p>Establish an audit/assurance system to assess accuracy of BO data by 1 January 2019 at the latest</p>	<p>Technical working group to liaise with Government and Parliament to (a) improve the current assurance mechanism of SAO to align with International Standards, (b) develop proposal for any necessary training and capacity building and (c) consider need for a stand-alone authority to audit BO disclosures, liaising with donors as to identified funding needs</p>	<p>Technical working group, donors</p>	<p>November 2017 - July 2018  <b>Latest date for assurance system to be operational: 1 January 2019</b></p>		<p>Donor support may be needed</p>
	<p>Ensure appropriate penalties apply to companies who make false or incomplete declarations or otherwise fail to comply with requirements around beneficial ownership disclosure or ownership of extractive assets by PEPs)</p>	<p>Technical working group to assess current penalties for reporting failures and liaise with business registry, MoMP and parliament on how to ensure genuinely dissuasive penalties and compliance with laws around ownership of extractive assets by PEPs (including by use of blacklist procedures and referral to enforcement</p>	<p>Technical working group, government</p>	<p>Ongoing: January 2017 - July 2018</p>		

		agencies)				
<b>8.Data timeliness</b>	Establishing mechanism and procedure to ensure centralised data is available for EITI reporting as soon as practicable and by 1 January 2018 at the latest	Technical working group to liaise with business registry/MoMP, to ensure data collection system is (a) designed to collect data from all relevant companies, initially and on an ongoing basis (reflecting change in ownership), and (b) is maintained in a way that makes data readily available for EITI reports.	Technical working group, business registry, MoMP	February - June 2017 <b>Latest start of data collection: 1 January 2018</b>		
<b>9.Data accessibility</b>	As soon as practicable and by 1 January 2018 at the latest, AEITI BO data is widely accessible (a) to the public access on request and (b) for inclusion in EITI reports	Technical working group to liaise with business registry and MoMP to (a) assess publication requirements in light of access to information office law and (b) develop recommendation on how to include BO data in EITI report, including means of identifying gaps in disclosures.	Technical working group, business registry	February - June 2017 <b>Latest start of data collection: 1 January 2018</b>		
	As soon as practicable and by 1 January 2019 at the latest, AEITI BO data is accessible via existing online portals	Technical working group to liaise with business registry as to inclusion of BO data in AISA/ACBR data portal and with MoMP as to inclusion of BO data in FMIS data portals	Technical working group, business registry, donors	November 2017 - July 2018 <b>Latest date for publication on of BO data online: 1 January 2018</b>		Donor support may be needed
	In long term, EITI BO	Technical working group to liaise	Technical working	Ongoing		Donor



	data is accessible online as part of a nationwide register of beneficial ownership	with business registry, MoMP and government as to creation of nationwide register of beneficial ownership, liaising with donors as to identified funding needs	group, CSOs, business registry, government			support may be needed
	Raise awareness of beneficial ownership data project among communities and civil society groups in Afghanistan	Technical working group to liaise with CSOs to develop an outreach and awareness raising plan, including via TKG network, liaising with donors as to identified funding needs	Technical working group, CSOs	July - December 2017		Donor support may be needed